

MINUTES
Educational Opportunity Fund
Board of Directors
Conference Call Meeting
August 20, 2001

The conference call meeting of the EOF Board of Directors originated from the New Jersey Commission on Higher Education, Trenton, New Jersey and was held in compliance with the open Public Meetings Act. Dr. Sang Jin Kim, EOF Board Chairperson, presided.

Attendance

The Board members who participated by phone were Dr. Alwin Arce, Mr. James Avery, Dr. Herbert Flamer, Mr. Ellsworth Havens, Mr. Ernest L. Jolly, Ms. Carmen Miranda-Jones, Dr. Sang Jin Kim, chairman, Dr. William J. King and Mr. Keith Greene sitting in as the Higher Education Student Assistance Authority's representative for Ms. Wilma Harris. Ms. Michelle Softley, President of the New Jersey Educational Opportunity Fund Professional Association, also participated by telephone. Dr. James Sulton, Executive Director of the Commission on Higher Education, also joined the meeting by telephone. Commission on Higher Education staff who participated in person were Dr. Glenn Lang, Executive Director – EOF and Ms. Janis Flanagan. Dr. Lang also introduced Mr. D. Anthony Bullett – Director of the CHE Office of Budget and Finance.

Dr. Kim opened the meeting by explaining that normally the Board's budget sub-committee would review the draft budget request materials for the next fiscal year (as presented today), but because a quorum of members agreed to participate in this meeting, it has been called as an open public meeting. The budget materials to be discussed are a follow-up of the board's discussions while on retreat and the board would not be asked to vote approval today at this step in the budget process but rather to express their preference of one budget scenario over the others.

Approval of the Minutes from the July 15 & 16, 2001 Board Retreat and Meeting

Mr. Jolly moved to approve the minutes of the July 15 & 16, 2001 Board Retreat and Meeting; seconded by Dr. King. The minutes were approved with one abstention by Mr. Greene who had not seen the materials in advance for review.

Educational Opportunity Fund FY 2003 Budget Discussion Paper

Dr. Kim asked Dr. Lang to open the next item of business by providing an overview of the budget discussion paper.

The budget discussion paper outlined three Article IV funding scenarios. Scenario I consisted of two inflation-based scenarios: (1) maintenance and (2) restoration using three inflation indexes, the Consumer Price Index (CPI), the TAG index (which is annual rate of increase of the state's Tuition Aid Grant), and the Higher Education Price Index (HEPI). The maintenance scenario is based on the principle of preventing any further slippage in the Article IV budget by adding an increase based on the latest one-year change in the three inflation-based indexes. The restoration scenario uses FY1995 as the base year to calculate the total Article IV budget based on completely closing the seven-year cumulative gap that has resulted from the appropriation falling below the cumulative application of the three indexes.

Scenario II was originally shared with the Board at the retreat and builds the Article IV request using a combination of the FY2002 funding appeals received from campus programs and a one-year inflation adjustment using the HEPI. Scenario III, described as a "basket of services model", develops an Article IV budget request which incorporates staffing pattern recommendations from the latest student retention research and uses the EOF campus programs' annual report data to gain insight to the extent and frequency of campus services and contacts with students, while also examining the staffing structure of campus programs to arrive at specific student/staff ratios. This approach looks at what it would cost for every program to have a student/counselor ratio of 75:1; a tutorial or academic support professional on staff; a minimum of 50% of the students receiving 20 hours of tutoring in four courses annually; and a level of secretarial and administrative support that is comparable to that received by New York State's opportunity programs which operate with one clerical person and assistant director support for every 150 students.

In summary, Dr. Lang directed the Board's attention to Figure I of the budget discussion paper which illustrated the amount of additional Article IV funds that would have to be added to the current appropriation for each of the funding scenarios described.

Dr. Sulton indicated that the discussion paper did a good job of laying out the possibilities and the comparison to New York State provides good insight. Mr. Jolly also indicated that the budget discussion paper was responsive to the Board's request and very easy to follow.

The Board engaged in a lengthy discussion of the different scenarios and the best strategy for getting the attention of the Governor's Office. Mr. Avery emphasized that the EOF request must fall within the civic reality and that the Board should develop a request that focuses on what is

absolutely essential to move the program forward. Dr. Flamer expressed a preference for the restoration request as well as an additional \$1.5 million dollars for Article III academic year student awards as reasonable based on what the program has experienced with level funding over the past few years. He added that while scenario III would be nice it is unlikely to be approved. Dr. Lang commented that scenario III is a reflection of what the EOF program would look like if the data and research drove program funding. Mr. Jolly stated that it is important to find a way to weave some of the data and research into the discussion as a way to educate those who might show a willingness to be influenced by that information, but to build the FY2003 request using scenario III is unrealistic.

Dr. Sulton informed the Board that the CHE is in the process of developing their budget policy statement now and that the higher education community as a whole faces the same problem as the EOF Board (the budget number is a moving target - not knowing who the governor is going to be or the composition of the senate and or the assembly) which makes the process turn on the type of factors that the EOF Board has described with one additional element, the transitional period. Dr. Sulton indicated that while he has not experienced New Jersey's gubernatorial transitional period, he has been lead to believe that it is a very important time that will permit the Board and the CHE to present the EOF proposal. He added that the work that the EOF Board is currently doing is key because the budget discussion paper presents an opportunity to outline what the EOF Board wants in the best of all possible worlds, with a twinge of realism what the program wants and what the Board's bottom line would be, and absent this information there would be a large hole in the higher education request. Dr. Sulton also reminded the members that he mentioned at the retreat that it is incumbent upon the Board and the CHE to take the EOF request above the status of a statewide program to one that is significant for every individual institution with a program so that we can impress upon the colleges how EOF is important to them.

Dr. Flamer inquired if it would be appropriate once the Board has decided on its FY2003 budget policy recommendation to inform the EOF community and the institutional presidents via letter of what was requested and the need for their support. Dr. Lang stated that he thought it was a great idea and Mr. Arce added that the letter should also indicate why the program needs the money and how it impacts the State of New Jersey.

Mr. Havens asked if it would be proper to invite the gubernatorial candidates to an EOF Board meeting. Several Board members indicated that the Board meetings are open to the public and there was nothing wrong with extending an invitation to the candidates. Dr. Sulton shared that an invitation has been extended by the Presidents' Council to bring both of the candidates to a forum. Mr. Havens elaborated on his idea to have the EOF Board put together a small (2 - 3 pages) position paper on its issue, send it to both candidates and invite them to the September board meeting or a special board meeting in October to address the audience regarding their position on EOF. Dr. Kim and other Board members indicated that this was an excellent idea. Dr. Flamer suggested a different approach. Since the Presidents' Council is already working on getting the candidates to attend a forum, he asked if there was any possibility that the EOF Board could be part of that discussion. Dr. Sulton stated that he would be happy to contact the Chair of the Presidents' Council right away and mention that the EOF Board has had this conversation and would like to be included in the forum. Dr. Flamer added that there might be a better chance for

the EOF Board to accomplish its objective by partnering with the Presidents' Council. Several Board members mentioned that Father Loughran, the Chair of the Presidents' Council, extended an invitation to the EOF Board to meet with the Council when he spoke to them last month at the retreat. Mr. Avery stated that Dr. Flamer's suggestion was excellent and should be pursued, but it should not be the only approach the EOF Board uses. Mr. Havens expressed reservations about this approach because he believes that the EOF Board has issues that are distinctly different from those of the Presidents' Council and there is the potential that EOF might get lost in the discussion. Ms. Softley stated that partnering with the Presidents' Council would also fulfill the objective of broadening the EOF budget request from simply being statewide to institution-specific as Dr. Sulton suggested. She further stated that blending the two might present a better opportunity to get the gubernatorial candidates to commit to attending the forum. Dr. Kim inquired about the date of the next Presidents' Council meeting. Dr. Sulton informed the Board that the Presidents' Council has been on hiatus for the summer and the next meeting is scheduled for September 24, 2001. He added that just as someone mentioned sending a letter to EOF directors and college presidents it would also be appropriate to send an additional targeted letter to the executive offices of the Presidents' Council, since they do the lobbying of individual legislators and the governor on the higher education budget as a whole.

Dr. Flamer indicated that the Board needs to move on trying to partner with the Presidents' Council and if the effort doesn't work out for whatever reason the Board can go back to developing its own strategy of having its own meeting. He also added that the Board needs to pursue arranging a meeting with the Governor and/or his staff as quickly as they adopt the EOF FY2003 budget request, because the Board may be able to get the acting governor to include EOF in his budget for FY2003, while continuing to try and influence both gubernatorial candidates.

Dr. King offered a motion that the EOF Board enter into a collaborative effort with the Presidents' Council laying on the table EOF's budgetary needs and to do whatever is necessary to maximize the Board's efforts to get the EOF students' needs met. Mr. Avery seconded the motion. Mr. Jolly offered a friendly amendment to Dr. King's motion which called for including language that stated as part of that collaborative effort with the Presidents' Council "participating in any forum with the gubernatorial candidates as well as any discussions with the Acting Governor". Dr. Kim called for the question on the amended motion, which was unanimously approved by the Board members. In addition to Dr. Sulton contacting Father Loughran regarding the Board's desire to partner with the Presidents' Council on the candidate forum, Dr. Kim indicated that he would contact Father Loughran as well.

Dr. Lang indicated that Dr. Flamer clearly expressed support for the restoration budget scenario and that Mr. Avery agreed with that approach, but he still needed to hear the preference of the remaining Board members on the budget scenarios. Ms. Softley indicated that she supports restoration as well, but wanted to know which inflation index would be used to develop the request. Dr. Lang indicated that his preference was to use the HEPI index and Ms. Softley concurred. Dr. Flamer made a motion that the Board authorizes the staff to use the restoration budget scenario with the HEPI index to develop the FY2003 Article IV budget request and in Article III student grants request an additional \$1.5 million for FY 2003. Ms. Miranda-Jones seconded the motion and it was unanimously approved.

Dr. Lang informed the Board that the CHE has hired a new public information officer who will be working with the staff to develop a program brochure.

Dr. Kim asked Dr. Lang to review page 38 of the Board materials, which outlined additional steps to move the FY2003 budget process to a successful conclusion. Dr. Lang stated that during the course of the morning discussion the Board has addressed all of the items listed, but summarized each one just to be certain:

- Develop an EOF brochure: - *staff will be working with CHE's new public information officer. Dr. Flamer and Mr. Arce agreed to review rough draft of the EOF brochure.*
- Make an appointment to speak with the governor: *the Board stated that after they adopt the FY2003 budget policy statement, the staff should set up an appointment for the Board leadership to meet with the Acting Governor and his staff*
- Create an opportunity to speak with the gubernatorial candidates: *the Board passed a motion to work in partnership with the Presidents' Council*
- Develop public educational forum "Educational Opportunities in Crisis"
Identify other groups as supporters
Sources of outside funding for the forum
Facility for the forum
Media coverage of the forum
Selection of a date to hold the forum

At the retreat the Board members mentioned contacting individuals in the private sector to obtain their support and/or a location for the forum. Mr. Jolly indicated that he has been in contact with someone at Prudential and hopes to be able to get back to Dr. Lang by the end of the week.

- Presentation to the Presidents' Council

Dr. Lang announced that the next meeting of the EOF Board of Directors will be on Thursday, September 20, 2001 and that Ms. Softley has agreed to host the Board at Passaic County Community College.

Dr. Flamer made a motion for adjournment that was seconded by Dr. King and unanimously approved.